



Società Industriale Metallurgica Applicazioni Speciali Spa

Società soggettiva all'attività di direzione e coordinamento da parte della Industria Meccanica Bassi Luigi & C. S.p.a.

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GENERAL PURCHASE CONDITIONS

ART. 1 - INTRODUCTION -

This document contains the list of General Conditions that regulate all of the Purchase Orders issued by SOCIETÀ INDUSTRIALE METALLURGICA APPLICAZIONI SPECIALI S.p.A. (hereafter SIMAS S.p.A.) as the Buyer with regards to the Supplier and including the sale of Products, Material and/or Services and they oblige the parties within the limits of their applicability to the object of the Supply (Products only, Materials only, Services only or Products only, Materials and Services together) and the specific type of Product, Material and/or Service offered.

The Purchase Orders of SIMAS S.p.A. are regulated by the General Conditions indicated below, save any other specific regulations indicated in special conditions as included in the Order, that prevail, in the case of conflicts, in these General Conditions.

All waivers or additions to these General Conditions will only be valid if accepted in writing by SIMAS S.p.A.

The General Conditions form an integral part of the purchase contract and are considered accepted entirely by the Supplier.

ART. 2 - DEFINITIONS -

In the contract the following terms have the following meanings:

GENERAL PURCHASE CONDITIONS OR CONDITIONS: mean the following Conditions.

CONTRACT: this is the general Order, the General Purchase Conditions and all of the documents listed in it that form an integral part; all possible Variations to the Order also belong to the Contract.

ORDER: it defines the obligations and the rights between the Buyer and the Supplier for the supply of Products, Materials and Services.

ORDER VARIATION: this is a written addition to the Order, issued by the Buyer and accepted by the Supplier with the same procedure as the Order made to introduce additions, reductions and variations to the contents of the Order itself.

BUYER: The Buyer is identified in SIMAS S.p.A. as the company issuing the order to the Supplier for the supply of the Products, Materials and Services described here below.

SUPPLIER: is the Company that receives the Order from the Buyer for the supply of the Products, Materials and Services described in the Contract.

OPERATIVE HEAD OFFICE of the Buyer: 24030 Prezzate di Mapello (BG), Via Dante Alighieri n.16.

MATERIALS, PRODUCTS AND SERVICES / SUPPLY: MATERIALS (Materials in general), PRODUCTS (semi-finished and/or finished products), SERVICES (Services and additional performance) requested from the Supplier and described in the Contract, to be supplied by the Supplier with regards to the Order.

END USER: the customer of the Buyer.

ART. 3 - ACCEPTANCE OF THE ORDER -

Acceptance of the Order by the Supplier should reach the Buyer in the operative offices of Prezzate di Mapello, (BG), Via Dante Alighieri n.16, no later than 5 (five) days from the date of receipt, through the return of the copy including all possible attachments that form the order, duly signed on all sheets that this order refers to and signed at the bottom. After this period of time without success, the Order issued in accordance with the offer made by the Supplier will be considered accepted. Acceptance of the Order will result in total waiver of the sales conditions by the Supplier, even when attached to the offer or to Order acceptance.

ART. 4 - VARIATIONS TO THE SUPPLY AND VARIATIONS TO THE ORDER -

During execution of the supply, the Buyer may modify the quality, quantity, characteristics and/or form of the Products, Materials and Services; these variations should be immediately carried out by the Supplier. If such variations affect times and costs, the Supplier will have the right to additional compensation and/or an extension to the lead times.

ART. 5 - FREE ISSUED MATERIAL -

If, for execution of the Supply, the material is supplied directly by the Buyer or on his behalf, the Supplier will be obliged to verify, at his own costs, that it complies with the quality requirements indicated by the Buyer and he must inform the latter in writing of any possible defects within 3 (three) days from delivery.

ART. 6 - DELIVERY TERMS -

The delivery terms indicated in the Order are essential, obligatory and binding for the Supplier, even if they have not been specifically accepted.

Unless specifically indicated in the Order to the contrary, the delivery of the Materials / Products and the Supply of Services should be carried out in the operative premises of the Buyer or in any other area specifically indicated in the Order. As far as delivery of the Supply is concerned, the date of receipt indicated on the transport document will be the date considered valid. Advanced deliveries or the advanced supply of programmed services should be excluded unless specifically authorized in writing, as well as partial deliveries and/or services not defined.

ART. 7 - LIQUIDATED DAMAGES -

In the case of noncompliance with the delivery terms defined, to be considered obligatory, for the delivery of the Materials, Products or for the Supply of services or part of them, for whatever reason - excluding only proven cases of force majeure that the supplier should rapidly notify in writing - the Supplier will be applied liquidated damages of 0.5% for each day delay up to a maximum of 5 (five) % of the value of the Purchase Order.

ART. 8 - DELAY EXCEEDING 30 DAYS -

In the case of delays exceeding 30 (thirty) days, the Buyer will have the right to terminate all or part of the Order, providing a simple written communication, in accordance with article 1456 of the Civil Code, save compensation of all damages suffered. In this case nothing will be due to the Supplier except for the payment of Materials, Products and/or Services accepted and withheld or used by the Buyer. The Buyer will have the right to compensate any amount due for any reason to the Supplier even for other supplies apart from the ones indicated in the Order with the amounts matured as sanctions in execution of the Order.

ART. 9 - FORCE MAJEURE -

The delivery terms may be extended in the case of events of force majeure (for example earthquakes, fires, floods) that truly prevent execution of the Purchase Order. The Supplier should immediately inform the Buyer of the reason of the Force Majeure. If said event results in a delay to the delivery exceeding 60 (sixty) days, the Buyer will have the right to terminate the Purchase Order at any time by sending a registered letter with advice of receipt or a certified e-mail to the Supplier.

ART. 10 - PRICES -

Unless indicated to the contrary, all prices indicated in the Order will be considered fixed and unchangeable.

ART. 11 - INSPECTION - TESTING -

The Buyer shall complete all inspection and testing to control the correct and exact execution of the Supply during production and after preparation of the goods. For this purpose the inspectors nominated by the Buyer and/or by the End User will have the right to access, with due notice, during working hours to the plants of the Supplier. If the Buyer realizes that execution of the Supply does not proceed according to the conditions defined in the Contract, the Buyer may fix a term of no less than 5 (five) calendar days within which the Supplier is obliged to comply with the conditions indicated. Once this period of time has passed to no avail, the Buyer will have the right to intervene directly or through third parties, charging the Supplier with relative costs, or he may decide to wind up the Contract entirely or partially and complete the same using adequate means and forms, save the Buyer's right to reimbursement of damages suffered. In this case the Buyer's right to suspend payments in accordance with article 1460 of the Civil Code will be valid. Inspections or controls and any possible temporary acceptances will not relieve the Supplier of his own contractual obligations and responsibilities.

ART. 12 - ACCEPTANCE OF THE GOODS -

Simple delivery of the goods ordered does not imply acceptance of the Supply. Specific or tacit acceptance by the Buyer should only be considered for products without any faults and/or imperfections. In the case of faults and/or imperfections to the Materials or Products compared with the quality standards, and if necessary according to the technical drawings supplied by the Buyer, the Supplier must rapidly intervene following a simple request initially to eliminate the faults or make the Materials or Products compliant with the technical specifications indicated by the Buyer. Any imperfections of the Materials or Products compared with the quality standards indicated in the Order and/or slow intervention by the Supplier to eliminate the defects and/or the aforementioned imperfections will result in a serious non compliance and therefore a reason for termination of the contract and compensation of all damages.

ART. 13 - GUARANTEE -

The Supplier guarantees that his Supply complies with the indications provided in the Order, suitable for the specific use requested and free of all faults and defects.

This guarantee, unless otherwise indicated in the contract, is extended for two years from the delivery date of the Supply. If, during this guarantee period, faults and/or defects related to operation are found, the Supplier will be obliged within 10 (ten) days from communication to repair or replace the faulty products as indicated by the Buyer. After this period of time, to no avail, the Buyer will have the right to intervene directly or through third parties, charging the Supplier with relative costs, or, at his own discretion, to terminate the Contract entirely or partially and to organize completion of the same using adequate means and methods, save the right of the Buyer to compensation of the damages suffered. The goods repaired or delivered as a replacement will be guaranteed for the same period of time and at the same conditions as the original goods.

ART. 14 - RISKS AND TRANSFER OF PROPERTY -

Transport and dispatch risks of the goods will be borne entirely by the Supplier, unless



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otherwise indicated to the contrary. All risks related to deterioration/damage of the goods and the property of the goods will be transferred to the Buyer only upon delivery of the goods or upon delivery to the end user as indicated in the Order.

ART. 15 – CONFIDENTIALITY OBLIGATION -

The Supplier undertakes not to inform third parties before, during or after execution of the Supply of news and/or details of a technical nature and/or commercial nature related to the Order.

ART. 16 – INTELLECTUAL AND INDUSTRIAL PROPERTY -

The drawings, specifications and any possible technical documents that will be provided by the Buyer will remain the exclusive property of the latter and may be used exclusively for execution of the Order. The Supplier will be held responsible for their due preservation and must return them in good condition, if delivered in a printed form, at the end of the Supply.

ART. 17 - TECHNICAL DOCUMENTATION -

The Supplier must provide the Buyer with all of the technical documents as requested according to the nature of the Products or Services specified in the Contract, to be delivered together with the material or in any case within the period of time indicated. On the contrary the Buyer will be authorized to suspend payments. If modifications or additions are necessary, the Supplier must immediately transmit the technical documents, modified according to the requests made by the Buyer. Said technical documentation should be delivered by the Supplier in the number of copies and in the language requested in the Order.

ART. 18 - DISPATCH -

– Within 7 (seven) days from expected dispatch, the Supplier must send the Dispatch Office of the Buyer, via e-mail, a detailed Packing List that should include the number and date of the order that the dispatch refers to, it should also include details of the codes, quality, quantity, weight of the goods, marks and the number and type of packaging, with the indication alongside each material whether or not the quantity delivered is partial or total.

Dispatches should be carried out according to the following indications:

- Each batch of material should be accompanied by a transport document; for deliveries by courier, a copy of the transport document will be included in the packaging;
- Each transport document must refer to one single order and indicate the number, date and order reference, furthermore it should also indicate the code, quality, quantity, weight of the goods, marks and packaging number, with the indications alongside each material whether or not the quantity delivered is partial or total.

ART. 19 - INVOICING-

Invoicing should be performed according to applicable tax norms.
Invoicing should follow each single purchase order.

ART. 20- PAYMENT -

Unless indicated to the contrary in the contract, the payment terms are considered through bank receipt at 120 (one hundred and twenty) days end of the month or through bank transfer at 90 (ninety) days end of the month.

ART. 21 – ASSIGNMENT -

The Supplier shall not assign to third parties, even partially, the Order unless formally authorized in writing by the Buyer.
In accordance with article 1280 of the last paragraph of the Civil Code, the credit deriving from the Supplier from execution of the Order cannot be transferred without prior written consent of the Buyer.

ART. 22 – PACKAGING -

Packaging of the goods included in the Order should be suitable for the objective, also with regards to the destination and means of transport of the goods themselves. Unless otherwise indicated in the Order, all costs related to packaging will be borne exclusively by the Supplier.

ART. 23 – GUARANTEE CLAUSE -

The Supplier is obliged to release the Buyer from any requests related to compensation following defects, non compliances, unreliability of its Supply, also with the obligation to compensate the Buyer for any damages suffered.

ART. 24 – WITHDRAWAL -

The Buyer reserves the right, in accordance and by the effects of article 1373 of the Civil Code, to withdraw from the Purchase Order at any time by means of a registered letter with advice of receipt or through a communication sent by certified e-mail with a notice of at least 30 (thirty) days.

In this case the Buyer will recognise to the Supplier, with regards to the delivery of the Supply, or the part carried out as of the withdrawal date, an amount equivalent to the value of the services rendered.

ART. 25 – SPECIFIC RESOLUTION -

– Save all of the above, the Buyer reserves the right to resolve any Order in compliance with article 1456 of the Civil Code through a written communication addressed to the Supplier, and with reference to the latter, the following conditions will apply:

- Violation of the obligations as indicated in articles 12 and 13;
- State of insolvency or liquidation of the Supplier, be it coercive or voluntary, opening of insolvency proceedings, save the indications provided in article 72 of the Law on Italian bankruptcy;
- Change in ownership, change in control or substantial modifications to the share holding structure of the Supplier.

ART. 26 – TOLERANCE -

Any possible tolerance by the Buyer with regards to non fulfilment of any obligation born from the Order, as well as non execution of a right or of a concession of a treatment also extended in time, cannot be interpreted as conclusive behaviour or in any case cannot generate any rights not specifically indicated in the Order.

ART. 27 – APPLICABLE LAW -

The Purchase Order will be regulated and interpreted from all points of view by Italian law except according to the specific indications provided in the Order.

ART. 28- JURISDICTION -

For any controversies the parties irrevocably submit to the exclusive jurisdiction of the court of Milan .

ART.29 - DATA PRIVACY -

The Supplier and the Buyer mutually guarantee compliance of norms related to the treatment of personal data and as regulated by the privacy code as per the Legislative Decree. n. 196 dated 30.06.2003; the personal data supplied will be treated exclusively for pursuance of contractual objectives.

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In accordance with and by the effects of article 1341 of the Civil Code the parties specifically approve and undersign the following clauses:

- 6) delivery terms; 7) liquidated damages; 9) force majeure; 11) inspection – testing; 13) guarantee; 15) confidentiality obligation; 16) intellectual and industrial property; 20) payment; 23) guarantee clause; 24) withdrawal; 25) specific resolution; 27) applicable law; 28) jurisdiction..

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